



UNITED STATES SENATE
**REPUBLICAN
POLICY COMMITTEE**

Larry E. Craig, Chairman
Jade West, Staff Director

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Shout it from the Rooftops:

Welfare Reform Surpassed All Expectations

For decades, Democrat welfare programs trapped generations of poor Americans in a cruel cycle of poverty and dependence. As promised, a Republican Congress in 1996 revamped federal welfare programs to encourage work, promote self-reliance, strengthen marriage, and instill dignity in families stuck in the welfare trap.

The fruits of welfare reform (and of the state-led reforms that spurred federal action) not only confounded the critics, they have surprised even supporters of the legislation: welfare reform is the most dramatically successful social initiative in recent memory.

What Opponents Predicted

“The people who do this will go to their graves in disgrace.”

“In five years’ time, you’ll find appearing on your streets abandoned children – helpless, hostile, angry, awful – in numbers we have no idea.”

“[T]he central provision of this law [the five-year cash benefit limit] . . . would be the most brutal act of social policy we have known since the Reconstruction.”

– Senator Daniel P. Moynihan, 11/20/95 and 2/28/96

What Instead Happened

- **Welfare rolls have fallen dramatically.** Since 1993, welfare rolls as a share of population have dropped nearly two-thirds to their lowest point in almost 40 years ([HHS/Census Bureau](#)).
- **Poverty has declined across *all* categories.** Child poverty is at its lowest since 1977. Poverty among single-mom families and black children is the lowest ever recorded. In 2000, 5.4 million fewer Americans lived in poverty than in 1996, and 8 million fewer than when states began reforming welfare in 1993 ([Census Bureau](#)).
- **Child hunger has declined.** The percentage of children living in hunger has fallen by more than 40 percent ([Heritage Foundation/USDA](#)).

- **More single mothers are employed and their income is rising.** Single mothers' earnings have increased *at the same time* their welfare income has decreased ([Brookings Institution](#)). Former Congressional Budget Office Director (now with Baruch College, CUNY) [June O'Neill](#): "The proportion of single mothers who work has increased dramatically since welfare reform, nearly matching the proportion leaving welfare."
- **Out-of-wedlock births have leveled off.** The explosive growth in out-of-wedlock births has been slowed to a virtual halt and even fallen slightly among blacks ([Heritage Foundation](#)). Teen births also have declined ([Brookings Institution](#)).
- **More children – particularly blacks – are growing up in married households.** From 1994 to 1999, the share of black children growing up in single-mother households dropped from 47 percent to 43 percent, while the share growing up in married households increased from 35 percent to 39 percent ([Heritage Foundation](#)).

While some contend a booming economy is responsible for these effects, June O'Neill [reports](#) that welfare reform "accounts for more than half of the decline in welfare participation and more than 60 percent of the rise in employment among single mothers," while economic growth accounted for "less than 20 percent of either change."

In essence, opponents of welfare reform fail to understand this simple principle: *When you subsidize something, you get more of it.* When government abandoned the cruel policy of subsidizing dependence and began encouraging work and self-reliance, it enabled millions to break free of the welfare trap.

What Remains To Be Done

- **Further encourage work.** Despite enormous gains in caseload reduction and employment, 58 percent of TANF recipients do not work even one hour per week (HHS).
- **Expand state flexibility.** In the early 1990s, states used waivers from federal rules to prove they could find better ways to fight poverty. Their success pressured the federal government to enact welfare reform, to the benefit of the poor. Congress should continue this process by allowing states to integrate existing federal anti-poverty programs.
- **Promote marriage.** The federal government should encourage states to use federal welfare funds to foster freely-chosen, stable, healthy marriages, and to eliminate existing marriage penalties.

The most important reasons Republicans should be proud of welfare reform — and eager to take the next step — are those benefits that cannot be depicted with statistics: Self-reliance. Dignity. Cooperation. Example. Pride. Just as welfare had trapped its victims in a cycle of poverty and dependence, these values have spurred a virtuous cycle that is lifting and protecting Americans from poverty for years to come.

RPC staff contact: Michael F. Cannon, 4-2946